

# Federal Strategic Sourcing Initiative (FSSI)

## Concept of Operations

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# I. Introduction

This document presents the Concept of Operations for the Federal Strategic Sourcing Initiative (FSSI). The FSSI is chartered under the purview of the Chief Acquisition Officer's Council (CAOC) and the Strategic Sourcing Working Group (SSWG) monitored by the Office of Federal Procurement Policy (OFPP) within the Office of Management and Budget (OMB).

## I.1 *Concept of Operations Overview*

The purpose of the Concept of Operations (ConOps) is to provide guidance for the structure (governance), management and operations of FSSI, taking into consideration the inherent complexities of a Federal-Wide initiative. Specific objectives of the ConOps are as follows:

- Present the rationale and the drivers behind implementing the FSSI program, including the key benefits to be realized
- Describe the federal government environment within which the FSSI program will be operating, including identification of key internal and external stakeholders
- Define the overarching FSSI governance structure that will engage and connect the right people from across the government and create a manageable and sustainable framework for long-term collaboration and sourcing strategy implementation
- Outline the roles and responsibilities of key FSSI participants involved in developing, implementing and managing commodity sourcing strategies
- Define the strategic sourcing process the FSSI participants will follow in developing, implementing and managing commodity sourcing strategies

To ensure that the unique issues and concerns pertaining to the various stakeholders have been addressed, the ConOps is being developed through:

- **Stakeholder Engagement** – Key stakeholders from across the government have been engaged in the development of the ConOps, specifically around development of the Governance Structure, Operating Processes and Roles and Responsibilities.
- **Lessons Learned from the Initial FSSI Teams and other strategic sourcing initiatives** – Significant input has been incorporated into the development of this program based on the early successes and challenges of the FSSI teams as well as the strategic sourcing initiatives at other agencies

## Scope

This document addresses the processes for goods or services to be sourced collectively by more than one agency for government-wide use. **The term “commodity” is used throughout the document to refer to any types of goods or services, from office supplies to professional services.**

*The ConOps is a working document that will be updated periodically over the lifecycle of the program as new priorities, policies and requirements emerge.*

## **I.2 Document Structure**

The remainder of this document is organized into the following chapters:

- **Chapter 2: FSSI Background and Environment** – Provides an overview of strategic sourcing, its benefits and the background and drivers leading up to FSSI.
- **Chapter 3: FSSI Program Description** – Provides a general overview of the FSSI Program; including program vision, objectives, and key stakeholders.
- **Chapter 4: FSSI Program Structure and Governance** – Outlines the high-level program structure, including program design considerations, the proposed governance structure, and specific governance roles and responsibilities
- **Chapter 5: Commodity Management – Strategy and Execution Phase** - Defines the key phases of the strategic sourcing process that will be applied to each commodity, including the continuous management of the commodity.
- **Chapter 6: Commodity Management – Ongoing Management Phase** – Addresses the strategies and scope of the FSSI Program during the implementation phase of the strategic sourcing process; including the role that the Program Office will assume in supporting agency implementation efforts and the associated communications strategies

- Background and Environment

### ***1.3 Background***

The Federal Government spends over \$430 Billion annually on the purchases of goods and services. Due to the sheer magnitude of government purchasing, the Office of Federal Procurement Policy (OFPP) (out of the Office of Management and Budget (OMB)) released a memorandum in May of 2005 announcing the introduction of strategic sourcing as a government-wide requirement for all Federal agencies.

The Department of Treasury and GSA, with support from OFPP, partnered to launch the Federal Strategic Sourcing Initiative (FSSI) on November 16, 2005, inviting all Federal agencies to participate in working together to address the requirements of OMB's request. The FSSI is chartered under the purview of the Chief Acquisition Officer's Council and the Strategic Sourcing Working Group monitored by the Office of Federal Procurement Policy within the Office of Management and Budget

While guidance from OFPP requires strategic sourcing of goods and services within all Federal Agencies, a more organized, systematic and collaborative approach to strategic sourcing across the entire Federal government is critical for capturing greater value from the enormous amount of dollars being spent and for maximizing the use of government resources. A collective sourcing program not only yields the benefits associated with a coordinated approach to the supply base for ALL agencies, large and small, but also reduces the amount of Agency resources required to support strategic sourcing on a per commodity basis. This will allow internal Agency strategic sourcing programs to focus on the sourcing of goods and services unique to the Agency's mission.

### ***1.4 FSSI Stakeholders***

This section provides a high-level overview of the Federal government acquisition environment and key internal and external stakeholder groups that FSSI will address through a stakeholder-focused program design, governance structure, and communications strategy.

**Figure 1: Key FSSI Stakeholders**

Stakeholder Group	Stakeholder
<b>Executive and Program Management</b>	Office of Management and Budget (OMB)
	Chief Acquisition Officers Council (CAOC)
	Strategic Sourcing Working Group (SSWG)
	Federal Strategic Sourcing Initiative Program Management Office (FSSI PMO)
	Strategic Sourcing Community of Practice (CoP)
	Strategic Sourcing Agency Heads
	Senior Procurement Executives and Heads of Contracting

Stakeholder Group	Stakeholder
<b>Users and related Interests</b>	End Customer Leadership (e.g. PEOs)
	End Customer
	Contracting Community
	Chief Information Officers Council
	Chief Financial Officers Council
	Small Business Administration
<b>Indirect Interests and Oversight</b>	GAO, Committees on the Hill, IG Offices
	Government and Agency Leadership
	Taxpayers
<b>Suppliers and Industry</b>	Suppliers
	Industry Interest Groups
	Small Business Interests
<b>Commercial and Other Government Interests</b>	State and Local Governments
	Academic Institutions
	Industry Best Practice Groups

## II. FSSI Program Description

### II.1 FSSI Program Vision & Goals

The vision for FSSI is to “Improve federal government’s mission delivery by transforming procurement from a transactional model to a strategic sourcing system that delivers value comparable with best-in-class private sector acquisition systems at each stage of the acquisition life cycle.”

In order to achieve this transformation, FSSI stakeholders have identified six core objectives for the program, which include:

- ***Goal 1: Avoid unnecessary duplication of effort in pursuing OMB Strategic Sourcing Initiative***

Through FSSI, the government as a whole will be able to more efficiently meet the requirements of the OMB Strategic Sourcing Initiative, avoiding duplication of effort where feasible

- ***Goal 2: Develop standard processes and tools that can be leveraged throughout the government***

FSSI will become a repository of refined and tested processes and tools that can be used to increase the performance and efficiency of all strategic sourcing programs across the government. Additionally, FSSI will help improve the success of strategic sourcing at all levels through a thorough understanding and application of lessons learned from previous sourcing efforts.

- ***Goal 3: Establish mechanisms to increase savings, value, and socio-economic participation***

Through an understanding of all costs related to the acquisition, use and disposal of acquired good or service, FSSI will strive to minimize the Total Cost of Ownership for the Federal Government while ensuring the utilization of small and disadvantaged businesses and fulfillment of socio-economic programs by matching small business capabilities to the Government's requirements, where applicable.

- ***Goal 4: Share best practices and build upon the strategic sourcing community of practice***

FSSI will enable the broader government in becoming more adept at structured application of the strategic sourcing process through coordination and sharing of best practices.

## **II.2 Strategic Sourcing Definition and Process**

### **Strategic Sourcing Definition**

Strategic Sourcing is defined as a “collaborative and structured process of critically analyzing an organization’s spending and using this information to make business decisions about acquiring and managing commodities and services more effectively and efficiently. This process helps agencies optimize performance, minimize price, increase achievement of socio-economic acquisition goals, evaluate total life cycle management costs, improve vendor access to business opportunities, and otherwise increase the value of each dollar spent.”<sup>1</sup>

Some key elements of strategic sourcing, as provided in Defense Acquisition University’s Strategic Sourcing Overview Course<sup>2</sup>, are noted below:

#### **Strategic Sourcing is a structured process.**

- It is a systematic approach to sourcing goods and services with clearly defined steps.
- It is a repeatable process that can be applied over time to any commodity

#### **Strategic Sourcing is an analytical process.**

- It is data-driven and relies on facts, not hunches, for sourcing decisions.

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<sup>1</sup> OMB memo “Implementing Strategic Sourcing” from Clay Johnson III, Deputy Director for Management, OMB, May 20, 2005

<sup>2</sup> DAU Course CLC 108: Strategic Sourcing Overview  
([https://learn.dau.mil/html/clc/GetCourse.jsp?course\\_id=802081&cid=CLC108](https://learn.dau.mil/html/clc/GetCourse.jsp?course_id=802081&cid=CLC108))

- It relies on internal customer requirements and external market intelligence to develop strategies.
- It considers all the angles – from customer needs and market conditions to financial and socio-economic objectives.

**Strategic Sourcing is a collaborative process.**

- It is cross-functional and engages stakeholders from multiple perspectives and disciplines.
- It takes a “big picture” view of the spend environment to find the most appropriate level of sourcing coordination.

**Strategic Sourcing helps organizations optimize their supply base.**

- It helps organizations identify the optimal number and types of suppliers to satisfy sourcing needs (including small business).
- It seeks to structure the supplier-buyer relationship for mutually beneficial results.

**Strategic Sourcing helps organizations reduce total cost of ownership (TCO).**

- More than just unit price reductions, TCO savings can be achieved through reduced volume and consumption (demand management), improved process efficiencies, and better supplier management.

**Strategic Sourcing helps organizations improve mission delivery.**

- It improves the quality and value of acquired goods and services that directly or indirectly support mission-focused programs and activities.
- It contributes to a more efficient use of purchasing dollars.

**Strategic Sourcing Process**

The FSSI Program is based on the Strategic Sourcing Process illustrated in Figure 2 below.

**Figure 2: Strategic Sourcing Process**



The process consists of an Opportunity Assessment and five main steps. The Opportunity Assessment is a periodic (or continuous) analysis that leads to identification of the top commodities for strategic sourcing. Steps 1-5 represent the repeatable strategic sourcing process applied to each commodity targeted for strategic sourcing. The activities and depth of analysis conducted within each of the steps of the strategic sourcing process will vary by commodity strategy and the level of TCO that the strategy is designed to obtain.



- **Step 1: Profile Commodity** – Develop a detailed commodity profile based on robust requirements, process, Total Cost of Ownership, and spend analysis. Leads to the identification of key findings and sourcing opportunities.
- **Step 2: Conduct Supply Market Analysis** – Conduct market analysis to understand industry structure and market segments, trends, cost structure, competitive dynamics, and available sourcing levers.
- **Step 3: Develop Commodity Strategy** – Develop an organization-wide sourcing strategy to exploit the sourcing levers identified as part of the Commodity Profile and Supply Market Analysis processes.
- **Step 4: Issue RFX and/or Negotiate** – Engage the supply community in order to award contract vehicle(s), if identified as part of the Commodity Strategy. Includes developing and issuing RFX based on the sourcing strategy developed in Step 3, conducting negotiations, developing proposals, and awarding contract(s).
- **Step 5: Implement and Manage Performance** – Implement contract processes and policy changes necessary to ensure the successful implementation of the commodity sourcing strategy. Continually measure, track and manage performance.

A step-by-step process guide for each of the five steps above is presented in Chapters V and VI in the form of the four phase FSSI Strategic Sourcing and Commodity Management Process.

## **II.3 FSSI Program Benefits**

The FSSI Program will have far-reaching impact and numerous benefits. The benefits of strategic sourcing go beyond price savings to reduction in total cost of ownership, which include but are not limited to the following:

### Reduction in Cost Per Unit

- Pricing improvements
- Supply chain savings
- Reduced lifecycle costs

### Change in Consumption/Volume

- Demand management
- Specification review

### Improved Operating Efficiency

- Reduced Procurement and Non-Procurement Related Operating Expenses
- Performance Monitoring

### Improved Supply Chain Management

- Socioeconomic goals (structured analysis of small/disadvantaged business opportunities)

- Optimized supplier relationships

### **Strategic Sourcing Levels of Effort**

Different commodities will derive benefits from the strategic sourcing process in different ways. The commodity strategies developed through the strategic sourcing process should focus on those areas where the most benefit impact can be realized for a particular commodity. The level of effort invested in a strategic sourcing initiative will be defined by the strategic objectives. Each level of effort will address deeper components of total cost of ownership.

The FSSI Program will assist in the definition of the strategic sourcing levels of effort and will facilitate the appropriate alignment of commodity strategy and expected benefits.

**Figure 3: FSSI Stakeholder Benefits**

Stakeholder Group	Benefits
<b>Executive and Program Management</b>	<ul style="list-style-type: none"> <li>• Increased oversight and visibility into strategic sourcing metrics</li> <li>• Reduced resources required to effectively strategically source on a per commodity basis</li> </ul>
<b>Users and Related Interests</b>	<ul style="list-style-type: none"> <li>• Reduced Total Cost of Ownership (TCO) of goods and services</li> <li>• Increased insight into user requirements</li> <li>• Improved metrics and reporting capabilities</li> </ul>
<b>Indirect Interests and Oversight</b>	<ul style="list-style-type: none"> <li>• Increased visibility into government spending</li> <li>• Reduction in total government spending</li> </ul>
<b>Suppliers and Industry</b>	<ul style="list-style-type: none"> <li>• Increased small business and socio-economic participation</li> <li>• Improved efficiency with managing government accounts</li> <li>• Increased insight into government customer requirements</li> </ul>
<b>Commercial and Other Government Interests</b>	<ul style="list-style-type: none"> <li>• Increased visibility into government spending</li> <li>• Improved ability to collaborate on development of best practice</li> </ul>

## **II.4 FSSI Performance Metrics**

Performance measurement, both at the Program level and at the commodity level is critical to ensuring the success of FSSI. While program level metrics are higher level and generic in nature,

commodity level metrics tend to vary by commodity. The primary metrics used to measure performance at the program level are provided below in Figure 4.

**Figure 4: FSSI Performance Metrics**

Program Level Metrics	
Metric	Description
% of Spend Addressed Through FSSI – Total	Total spend volume being sourced through FSSI as a percentage of total addressable Government spend
% of Spend Addressed Through FSSI – Commodities	Total spend volume being sourced through FSSI as a percentage of total addressable Government spend for those commodities
Total Savings (\$)	Total savings (in dollars) through FSSI-led commodity teams; can be reported in both annual and aggregate terms
Total Savings (%)	Total savings (in %) through FSSI-led commodity teams; can be reported in both annual and aggregate terms
Change in Small Business/ Socio-Economic Utilization	The total small business/ socio-economic spend for commodities being strategically sourced versus baseline spend levels.

## II.5 *Key Success Factors*

- **Strong Senior Leadership** – Senior leadership support and buy-in will create a sense of urgency and ensure broader buy-in and support across the federal government.
- **Communication** – A comprehensive and on-going communication process that engages all stakeholders is critical to ensuring a complete understanding of FSSI and strategic sourcing.
- **Resource Commitment** – A certain level of resource commitment, in terms of manpower and dollars, will be required to ensure adequate time and focus is given to all aspects of the program.
- **Alignment of Incentives with Program Goals** – Need to establish metrics and targets at the Government-wide level and incorporate into individual performance measures, as appropriate, in order to ensure program progress and accountability.
- **Qualified Resources and Training** – FSSI’s transformational and technical nature requires that stringent criteria be established for selecting individuals playing critical roles in the program.
- **Spend Visibility and Analysis** – Utilize new or existing tools to allow greater visibility into agency spend. Support agency data analysis to enable better business decisions. This factor is a critical element of the sourcing methodology.

- **Agency Commitment** - In order for the FSSI to be successful, agencies must be willing to embrace the strategic sourcing concept and commit their Agency (including funds) to use the resulting FSSI solution.
- **Industry** - Must be willing to cooperate with the government in order to achieve success.

### III. FSSI Program Structure and Governance

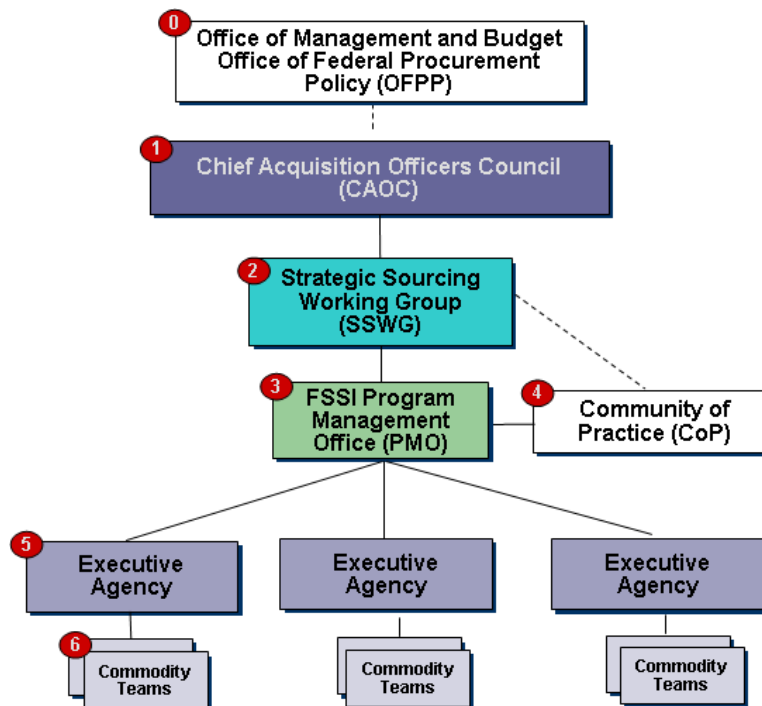
#### III.1 FSSI Governance Structure

Given the complexity of the FSSI in terms of the overall size, scope and stakeholder breadth, it is critical that the FSSI Governance Structure be setup to allow:

- Government-wide collaboration and coordination,
- Development of commodity based strategies,
- Agencies the flexibility and responsibility for implementation,
- Continuous commodity management, including ongoing performance management, and
- Adoption of best practices and business process re-engineering.

Figure 5 below depicts a multi-tiered Governance Structure for FSSI that will allow the Federal government to achieve the objectives of FSSI in the most efficient and effective manner.

**Figure 5: FSSI Governance Structure**



#### III.2 FSSI Governance Roles and Responsibilities

Each organization within the FSSI governance structure has a specific role and set of responsibilities to ensure the successful implementation and management of the program. Much of the specific

decision-making and performance monitoring occurs through the various tiers within the governance structure. These are described below.

### ***III.2.1 Office of Federal Procurement Policy (OFPP)***

The Office of Federal Procurement Policy (OFPP), within the Office of Management and Budget (OMB), is the ultimate Executive-level office responsible for providing oversight and guidance as well as ensuring overall effectiveness of FSSI.

#### **Primary Responsibilities**

- Set the strategic direction of the FSSI Program
- Enact strategic sourcing policies for use by Federal agencies
- Develop annual and other reporting requirements for agencies related to progress and performance
- Monitor commodity team progress and performance

#### **Members**

- The Office of Federal Procurement Policy (OFPP)

### ***III.2.2 Chief Acquisition Officers Council (CAOC)(1)***

The Federal Chief Acquisition Officers Council (CAOC), established pursuant to Section 16 of the Office of Federal Procurement Policy Act, as amended, 41 USC 403, is focused on promoting the aspects of the President's Management Agenda related to acquisition. Within the FSSI governance structure, the CAOC is the highest level body with federal agency representatives, typically the Chief Acquisition Officer for their respective agency<sup>3</sup>.

#### **Primary Responsibilities**

The CAOC charter<sup>4</sup> lists specific responsibilities for the council. The role of the CAOC in FSSI is limited to providing high-level guidance and approval on key recommendations raised by the Strategic Sourcing Working Group (SSWG). Identified below are specific responsibilities related to FSSI and their relation to the responsibilities outlined in the CAOC charter.

CAOC Responsibility (as per CAOC Charter)	Related FSSI Responsibility
<ul style="list-style-type: none"> <li>• Develops recommendations for the Director of the Office of Management and Budget (OMB) on acquisition policies and requirements; Shares experiences, ideas, best practices, and innovative approaches;</li> </ul>	<ul style="list-style-type: none"> <li>• Acts as "champion" for strategic sourcing within his/her organization</li> <li>• Develops/recommends policies to enable and enforce the utilization of strategic sourcing best practices</li> </ul>

<sup>3</sup>CAOC member list: <http://www.caoc.gov/index.cfm?function=membersall>

<sup>4</sup><http://www.caoc.gov/index.cfm?function=charter>

CAOC Responsibility (as per CAOC Charter)	Related FSSI Responsibility
<ul style="list-style-type: none"> <li>Assists the OFPP Administrator in identifying, developing, and coordinating multi- agency projects and other innovative initiatives</li> <li>Promotes effective business practices that ensure the timely delivery of best value products and services and achieve public policy objectives, working with the OFPP Administrator and the Federal Acquisition Regulatory Council as necessary;</li> </ul>	<ul style="list-style-type: none"> <li>Approves (and proposes) opportunities for federal-wide commodity teams based on recommendations from the Strategic Sourcing Working Group (SSWG)</li> <li>Identifies/recommends opportunities to leverage best practices, technology and other resources related to strategic sourcing across the federal government</li> </ul>
<ul style="list-style-type: none"> <li>Furtheres integrity, fairness, competition, openness, and efficiency; and along with the Office of Personnel Management, assesses and addresses the hiring, training, and professional development needs of the acquisition workforce</li> </ul>	<ul style="list-style-type: none"> <li>Ensures fair and efficient acquisition practices (through the SSWG) for identified federal-wide strategic sourcing commodities</li> </ul>

## Members

Membership for the CAOC is based on the CAOC charter, as provided below:

“The Council is chaired by OMB's Deputy Director for Management (DDM). The OFPP Administrator leads the Council's activities on behalf of the DDM. The Vice-Chair shall be selected by the Council from among its members. The Vice-Chair shall serve a one-year term, and may serve multiple terms. Members consist of agency CAOs, the Under Secretary of Defense for Acquisition, Logistics and Technology, and the Senior Procurement Executives of each military department. In addition, members may include other senior agency officers appointed by the heads of agencies in consultation with the Chair.”

Members are listed at [www.caoc.gov](http://www.caoc.gov).

### III.2.3 Strategic Sourcing Working Group (SSWG) (2)

The Strategic Sourcing Working Group (SSWG) is the most senior level body engaged in day-to-day decision making. The SSWG is the primary body for vetting and approving sourcing strategies, as well as for establishing the standards, processes and policies governing FSSI. The SSWG reports directly to the CAOC.

#### Primary Responsibilities:

- Develop and recommend policies to enable and enforce the utilization of Strategic Sourcing best practices
- Recommend commodities for strategic sourcing through FSSI
- Appoint/recommend members for commodity teams for their respective organizations

- Review and comment on commodity strategies developed by FSSI commodity teams
- Establish/direct working groups to address relevant issues related to enabling strategic sourcing in the government including standards, processes, technologies and workforce development
- Monitor overall program performance as well as performance data for specific commodity teams (provided by the FSSI PMO); make recommendations for improvement
- Present to the CAOC opportunities for government wide adoption of best practices and/or process re-engineering efforts.

#### Members

Subset of the CAOC with revolving membership. 2 co-chairs and 3 members

- Five members (rotating membership)
- Two Co-Chairs (2 year term)
- Three team members
  - o CAOC members serving one year rotations on the Committee
  - o Small agency council always has representation
  - o SBA always represented

### ***III.2.4 FSSI Program Management Office (PMO)(3)***

The FSSI PMO acts as the Executive Agency for OMB, Office of Federal Procurement Policy (OFPP) in implementing strategic sourcing across government and also serves as Executive Agent for commodity solutions under FSSI. FAS formalized the FSSI Program Management Office (PMO) within the FAS Office of Assisted Acquisition Services (AAS) to serve as the liaison to OMB, OFPP, the CAOC Strategic Sourcing Working Group (SSWG), the Strategic Sourcing Community of Practice (CoP) and provide overall program management support to FSSI and to the FAS Portfolios in the development, implementation and management of government-wide strategic sourcing solutions created under the FSSI governance process.

Upon approval and implementation of a commodity, the PMO receives input on performance from agencies (the customers), suppliers, as well as from the commodity teams. This role of the PMO is to ensure that FSSI commodities are being managed to drive maximum value for the government as a whole.

#### **Primary Responsibilities**

- Act as liaison to monitor and report on overall FSSI program usage for all commodities by soliciting feedback and collecting/analyzing performance data
- Provide guidance to commodity teams on performance measures and data collection



- Facilitate the government-wide Strategic Sourcing Community of Practice (CoP) to ensure sharing of lessons learned and best practices and to institutionalize strategic sourcing across the government
- Represent the CoP by serving as an active member of SSWG; report results of performance analysis to SSWG on FSSI initiatives, solutions, accomplishments and issues
- Serve as the liaison to OFPP to facilitate implementation of government-wide strategic sourcing goals
- Work with OFPP to identify and meet with non-participating agencies to ensure participation.
- Develop an annual strategic plan in coordination with OMB, OFPP and the SSWG.

### **Members**

- GSA Federal Acquisition Service Assistant Commissioner of AAS;
- PMO Staff; and
- Contractor support (as required)

### ***III.2.5 Strategic Sourcing Community of Practice (CoP)(4)***

The Strategic Sourcing Community of Practice (CoP) is the government-wide operational level body engaged in institutionalizing strategic sourcing across the Federal government. The CoP is responsible for the identification of government-wide strategic sourcing opportunities, the development and recommendation of sourcing strategies, and performing strategic sourcing activities in support of the SSWG. The CoP is chaired by the FSSI PMO, and the FSSI PMO serves as the CoP representative on the SSWG.

### **Primary Responsibilities**

Recommend strategies, tactics and policies to institutionalize strategic sourcing across the Federal Government.

Develop and share best practices and lessons learned at the federal and agency level.

Identify barriers to implementation and provide solutions to address common government-wide commodity and service approaches.

Serve as conduit back into member agencies to communicate information and help sell strategic sourcing vision.

Serve as the advisory body for the strategic sourcing knowledge management portal.

Support OFPP in developing annual report guidance, reviewing agency annual reports, identifying opportunities, trends and gaps and making recommendations and/or elevating issues to SSWG for resolution.

Identify strategic sourcing education and training requirements and available supply sources within the Federal Government. Recommend solutions to the SSWG.

Recommend members for commodity teams from respective agencies.

Establish new CoP working groups to address relevant issues related to enabling and/or maturing strategic sourcing in the Federal government.

Present to the SSWG recommendations for government wide adoption of best practices and/or process re-engineering efforts.

### **Members**

Open to all Federal government agencies, including Small Agency Council representation.

FSSI PMO serves as chair

### ***III.2.6 Executive Agency (5)***

An Executive Agency, working on behalf of the entire government (or interested agencies) shall be selected by the CAOC and SSWG to manage all aspects of the sourcing process. At a minimum, Executive Agencies shall possess expertise and/or experience for the chosen commodity and be able to provide adequate resources/funding before being selected to manage a commodity.

Each Executive Agency will be responsible for determining how best to manage their designated commodities within their organization. However, each EA shall follow the high-level strategic sourcing process outlined within this document.

Each Executive Agency must appoint an Executive Sponsor as the central point of contact to the SSWG. For Executive Agencies leading multiple commodities, a Program Office may be established, whereby the lead of the Program Office would be the designated Executive Sponsor. The Executive Sponsor has accountability to the SSWG on the performance of the Strategic Sourcing efforts under the leadership of the Executive Agency.

### **Primary Executive Agency Responsibilities**

- Assign an appropriate Executive Sponsor
- Complete and agree to the Executive Agency Charter
- Provide training for all participants

- Provide functional/technical expertise
- Internally staff and fund the commodity team with appropriate commodity team leads, program/analytical staff, and contracting staff (as necessary)
- Fund and acquire contractor staff as necessary
- Identify agency representatives in conjunction with the SSWG
- Ensure strategic sourcing policies and standards are adhered to as outlined within the CONOPS
- Ensure commodity teams are managed in a manner that best serves the interests of all stakeholders
- Issue Letter of Intent to participating agencies (signifies agencies intent to participate if solution is determined to be best solution for the agency)
- Monitor performance and team makeup for possible changes/adjustments of participants
- Ensure sharing of best practices with government customers
- Perform PM functions, including: communication, change management, technology analysis, and business process analysis
- Review performance and CT recommendations and initiate/recommend change (i.e. process improvements and/or re-engineering efforts) through governance process, as appropriate
- Provide ongoing/continual commodity management
- Provide status reports as required

## Members

To be determined by Executive Agency, but should include at a minimum:

- Executive Sponsor (e.g. Assistant Commissioner of a designated portfolio (GSA), Senior Executive (Other Agencies))
- Team Lead (GS-15 or above)
- Other staff, including external support, should be staffed as appropriate.

### ***III.2.7 Commodity Teams (6)***

Commodity Teams (CT) are the key component for developing and executing sourcing strategies. CTs, which will be cross-agency, will be established by the approval of the CAOC. The CAOC will designate each commodity team with a lead Executive Agency (for example, GSA, for the first five CTs).

## Primary Responsibilities

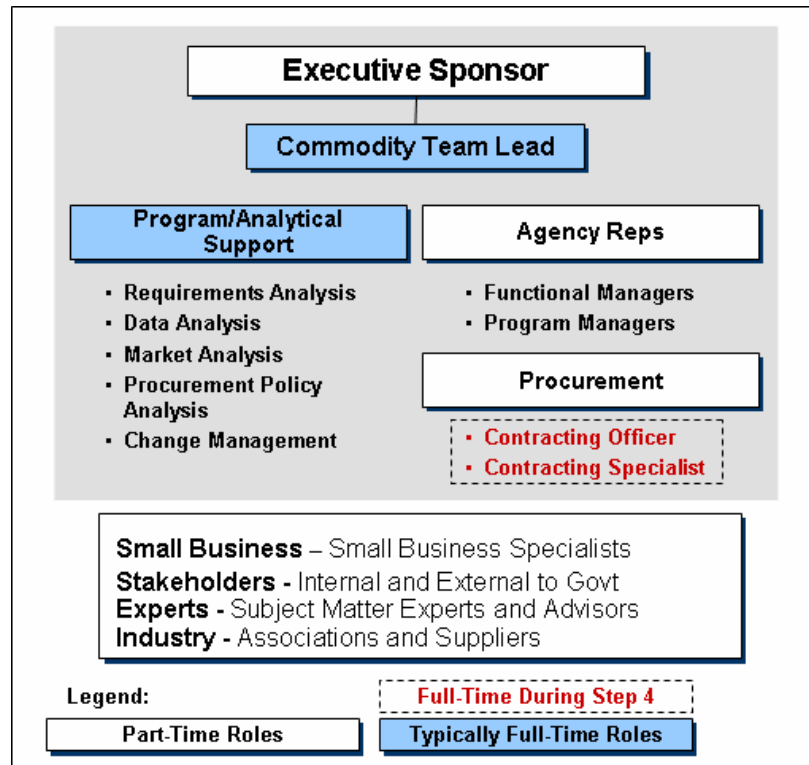
While the breadth and scope of responsibilities for each CT will be dependent on the commodity and the specific situation, below is a brief summary of some overarching responsibilities:

- Identify and engage key stakeholders throughout the strategic sourcing process
- Develop and validate scope and breadth of analysis required of CT
- Complete analyses required to develop commodity profile, market analysis, and commodity strategy; ensure integrity of process by seeking input and involving all members throughout the process
- Present commodity/ sourcing strategies to the SSWG, and modify as appropriate
- Modify membership of the CT, if required, based on monitoring to ensure adequate representation of agencies
- Conduct acquisition (if deemed appropriate by the commodity strategy and supporting business case) and develop and execute the implementation plan, including a communications plan to speed adoption and change existing processes
- If an acquisition is not needed, develop an implementation plan, including a communications plan, to clearly indicate how the solution will be achieved (i.e. mod an existing contract)
- Recommend to the Executive Sponsor, areas that are candidates for process improvements/re-engineering efforts. The recommendation should include a high level plan for attaining success
- Develop commodity management plan
- Continually manage commodity and take corrective action as required
- Monitor markets and share best practices through the Performance Management Group
- Report progress and performance to Performance Management Group

*Further detail on the strategic sourcing process, as well as specific outputs required of the CTs, are provided in Chapters V and VI.*

## Members

**Figure 6: Commodity Team Structure**



- Commodity Team Leadership
  - Executive Sponsor – from the Executive Agency; provide strategic direction and guidance to team (preferably at the SES level)
  - Commodity Team Lead – from Executive Agency; manage team on a day-to-day basis as well as on a long-term basis (commodity management); functional person with strong knowledge of commodity (preferably GS-15)
- Program/Analytical Support
  - The intensive analyses required to conduct strategic sourcing in a comprehensive manner requires strong analytical skills in the areas of data, market, requirements, and policy analysis as well as a strong understanding of change management.
  - Depending on the scope of the effort, these roles may be filled by one or more personnel. External consulting support may be utilized if qualified resources are not available internally.
- Agency Reps
  - Agency representatives act as the liaison into their respective agencies and will be the primary person “speaking” for their agencies. For this reason, the SSWG members are encouraged to stress the importance of this role and appoint members that can represent their agencies.
  - In some cases, agency reps may bring commodity specific knowledge related to current issues, challenges and requirements within their agency. At a minimum,

agency reps should bring knowledge of their organization and be able to provide access to the right people to address commodity specific questions.

- Agency representatives have a responsibility to participate regularly and inform internal agency decision makers of all actions that may impact their respective agencies
- Procurement
  - A Contracting Officer and a Contracting Specialist should be involved early in the strategic sourcing process. However, their role may be limited until the commodity strategy and execution phase, which then require they be full-time.
- Stakeholders, Experts, Industry - various stakeholders and experts may be consulted for input during the strategic sourcing process. As stakeholders and experts are identified, they should be involved as early in the process as appropriate.
  - A Small Business representative should be involved from an early point in the process to ensure that small business and socio-economic concerns have been addressed at every step of the process.
  - Industry should be consulted prior to the commodity strategy to ensure all relevant information has been used to drive the overall approach.

Further detail regarding commodity team member roles becomes apparent in Chapters V and VI during the discussion of strategic sourcing process.

## **IMPORTANT NOTE**

Prior to discussing the Strategic Sourcing and Commodity Management Process we must take a moment to discuss training.

The process that is discussed in Sections V and VI is not the only process that exists for strategic sourcing. It is the process chosen to be used by the FSSI and what supports this Conops. Training for the underlying Strategic Sourcing process can be found at:

Defense Acquisition University's Continuous Learning Center (CLC), specifically:

CLC 108: Strategic Sourcing Overview

([https://learn.dau.mil/html/clc/GetCourse.jsp?course\\_id=802081&cid=CLC108](https://learn.dau.mil/html/clc/GetCourse.jsp?course_id=802081&cid=CLC108))

It is recommended that anyone participating in the FSSI take this training so they have a better understanding of Strategic Sourcing in general and specifically within the context of FSSI.

In general, if you have worked on strategic sourcing efforts the principles are the same, however, some of the specific processes/steps may differ.

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Also, if your agency is currently undertaking Strategic Sourcing efforts, GSA has a multiple-award BPA off the GSA MOBIS Schedule that has been setup specifically for Strategic Sourcing support services.

## IV. Commodity Management – Strategy and Execution

### IV.1 Overall Process

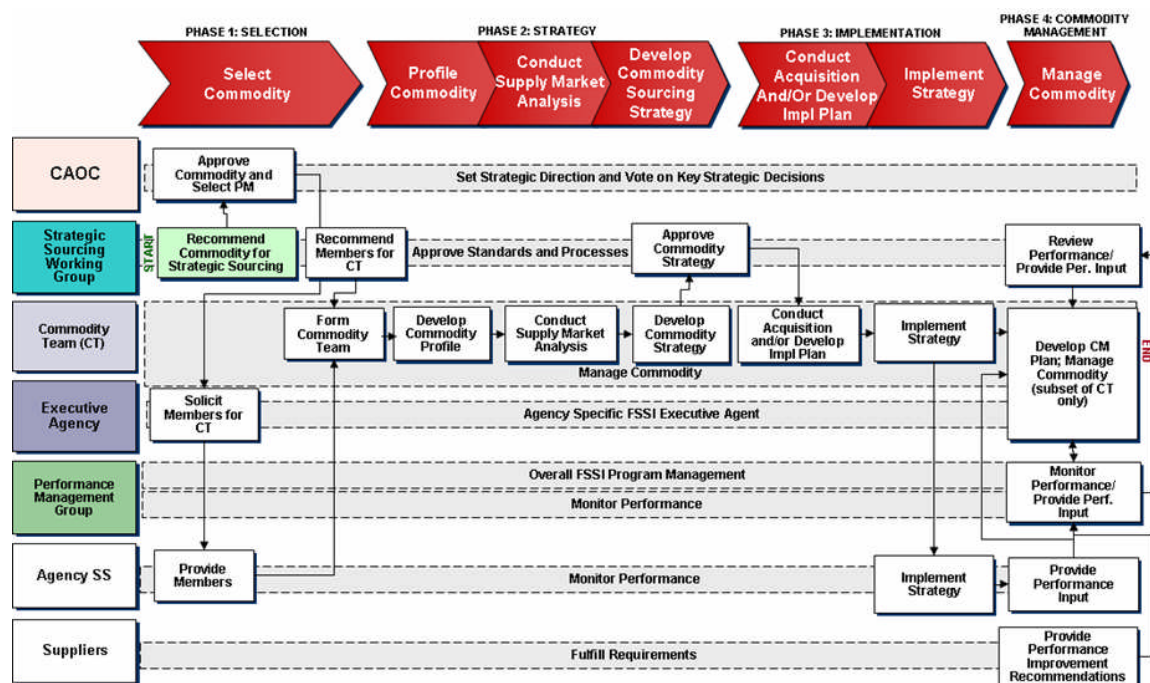
The Commodity Management (CM) process, begins with the selection of a commodity to be sourced and continues over time with the management of that commodity.

The process is based on the strategic sourcing process defined earlier. The CM process is divided into four phases, as depicted in Figure 7. The four phases include:

- **Phase 1: Commodity Selection** – Select and recommend a commodity candidate for FSSI
- **Phase 2: Commodity Strategy Development** – Apply rigorous and detailed internal and external market research to inform the development of a comprehensive commodity sourcing strategy.
- **Phase 3: Implementation** – Develop and implement commodity strategy, which may include one or several acquisitions.
- **Phase 4: Commodity Management** – Manage the commodity on an on-going basis which includes continuous internal and external measurement and corrective action, if required.

*This chapter addresses Phases 1 through 3. Chapter VI addresses Phase 4.*

**Figure 7: Strategic Sourcing and Commodity Management Process**

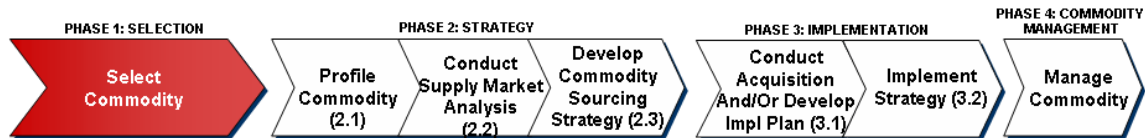


Source: Censeo Consulting Group, Copyright 2007



Figure 7 above illustrates the strategic sourcing process as well as the roles of the various components of the FSSI governance structure.

## IV.2 Phase 1: Commodity Selection



Phase 1: Commodity Selection			
<b>Overview:</b> Based on an evaluation and prioritization of FSSI commodities, the Strategic Sourcing Working Group (SSWG) selects an FSSI-wide commodity for strategic sourcing and recommends a specific service or agency to serve as “Executive” Agency (EA) for that commodity. With approval from the Chief Acquisition Officers Council (CAOC), the SSWG and the appointed EA work together to oversee the establishment of a dedicated Commodity Team (CT).			
Process Step	Performed By	Inputs	Outputs
1.1 Identify commodity and recommend for strategic sourcing through FSSI	OMB, any agency, SSWG	<ul style="list-style-type: none"> <li>Spend Data</li> <li>Commodity Spend Characteristics Evaluation</li> <li>Other Sources (e.g. Agencies, OMB, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity Analysis</li> <li>Business Case Analysis (to include a Commodity recommendation to SSWG)</li> </ul>
1.2 Select and recommend commodity, including Executive Agency, for FSSI	Strategic Sourcing Working Group (SSWG)	<ul style="list-style-type: none"> <li>Recommendation report</li> <li>Executive Agency (EA) Roster and Profiles</li> </ul>	<ul style="list-style-type: none"> <li>Commodity and Executive Agency recommendation to Chief Acquisition Officers Council (CAOC)</li> </ul>
1.3 Approve recommended commodity and appoint EA	Chief Acquisition Officers Council (CAOC)	<ul style="list-style-type: none"> <li>Commodity and EA recommendations from SSWG</li> </ul>	<ul style="list-style-type: none"> <li>Commodity approval and EA appointment</li> </ul>
1.4 Form Commodity Team	Executive Agency	<ul style="list-style-type: none"> <li>Agency Rep and Co-Chair recommendations solicited through SSWG</li> <li>CT Chair and CT Lead by EA PMO</li> <li>Program/Analytical resources by EA PMO</li> <li>Initial list of</li> </ul>	<ul style="list-style-type: none"> <li>Commodity Team Roster</li> <li>Outreach to CT members and stakeholders</li> </ul>

		stakeholders from SSWG	
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### IV.3 Phase 2: Commodity Strategy Development



Phase 2: Commodity Strategy Development			
<b>Overview:</b> Once a commodity has been selected for government-wide strategic sourcing, Phase 2 of the Commodity Strategic Sourcing Process focuses on developing a specific sourcing strategy for that commodity based on a comprehensive understanding of both internal requirements and usage analysis, as well as external supply market analysis.			
Process Step	Performed By	Inputs	Outputs
2.1 Profile Commodity	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Spend Data</li> <li>Customer Requirements</li> <li>Total Cost Data</li> </ul>	<ul style="list-style-type: none"> <li>Internal Commodity Fact Base</li> <li>Summary of Findings and Sourcing Implications</li> </ul>
2.2 Conduct Supply Market Analysis	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Primary Market Research</li> <li>Secondary Market Research</li> <li>Federal Supply Schedules (FSSs), Government-wide Acquisition Contracts (GWACs) and Agency-specific vehicles</li> </ul>	<ul style="list-style-type: none"> <li>Consolidated Commodity Supply Market Analysis</li> <li>Summary of Findings and Sourcing Implications</li> </ul>
2.3 Develop Commodity Sourcing Strategy	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Internal Commodity Fact Base</li> <li>Consolidated Commodity Supply Market Analysis</li> <li>Key Findings and Opportunities (from Steps 2.1 and 2.2)</li> </ul>	<ul style="list-style-type: none"> <li>Synthesized Research Findings</li> <li>Sourcing Objectives</li> <li>Recommended Commodity Sourcing Strategies &amp; Tactics</li> <li>Sourcing Strategy Business Case</li> <li>Acquisition Strategy &amp; Implementation Plan</li> </ul>

### IV.3.1 Phase 2.1: Profile Commodity



#### Phase 2.1: Profile Commodity

**Overview:** The first step in *Phase 2: Commodity Strategy Development* is to develop a Commodity Profile, or a “fact base,” based on a comprehensive spend, usage, cost and requirements analysis. This information, in combination with an external supply market analysis (phase 2, step 2), is a primary input for identifying sourcing improvement opportunities and formulating the detailed commodity sourcing strategy. *Step 1: Profile Commodity* may be conducted concurrently with *Step 2: Conduct Supply Market Analysis*.

Process Sub-Step	Performed By	Inputs	Outputs
2.1.1 Define Commodity	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Spend Data</li> <li>Basic Customer Requirements/ Demand Drivers</li> <li>Basic Market Info</li> </ul>	<ul style="list-style-type: none"> <li>Commodity Definition and Segmentation</li> </ul>
2.1.2 Conduct Spend Analysis	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Spend Data</li> <li>Customer Input</li> </ul>	<ul style="list-style-type: none"> <li>Commodity Spend Analysis</li> </ul>
2.1.3 Assess Customer Requirements	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Detailed Customer Requirements Info</li> </ul>	<ul style="list-style-type: none"> <li>Consolidated Participating Agency-Wide Customer Requirements</li> </ul>
2.1.4 Develop Total Cost of Ownership Model	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Total Cost Elements</li> <li>Total Cost drivers</li> </ul>	<ul style="list-style-type: none"> <li>Total Cost Model</li> </ul>
2.1.5 Document Key Findings and Opportunities	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Commodity Spend Analysis</li> <li>Consolidated Customer Requirements</li> <li>Total Cost Model</li> </ul>	<ul style="list-style-type: none"> <li>Summary of Findings and Sourcing Implications</li> </ul>

### IV.3.2 Phase 2.2: Conduct Supply Market Analysis



#### Phase 2.2: Conduct Supply Market Analysis

**Overview:** The second step in *Phase 2: Commodity Strategy Development* is to conduct a supply market analysis based on primary and secondary research gathered from industry sources. This information, in combination with the commodity profile, is another critical input for identifying sourcing improvement opportunities and formulating the detailed commodity sourcing strategy. *Step 2: Conduct Supply Market Analysis* may be managed concurrently with the *Step 1: Profile Commodity*.

Process Sub-Step	Performed By	Inputs	Outputs
2.2.1 Define Supply Market Segments	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Primary / Secondary Market Research</li> </ul>	<ul style="list-style-type: none"> <li>Supply Market Segmentation Analysis</li> </ul>
2.2.2 Develop View of Basic Market Data	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Primary / Secondary Market Research</li> </ul>	<ul style="list-style-type: none"> <li>Market Data Summary</li> </ul>
2.2.3 Understand Value Chain and Cost Drivers	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Primary / Secondary Market Research</li> </ul>	<ul style="list-style-type: none"> <li>Value Chain and Supplier Cost Analysis</li> </ul>
2.2.4 Understand Supply Market Competitive Dynamics	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Primary / Secondary Market Research</li> </ul>	<ul style="list-style-type: none"> <li>Supply Market Competitive Analysis (Porter's Five Forces)</li> </ul>
2.2.5 Review Federal Supply Sources	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Federal Acquisition Regulations (FAR)</li> <li>Federal Supply Schedules and Government-wide Acquisition Contracts</li> </ul>	<ul style="list-style-type: none"> <li>Short List of Candidate Federal Supply Sources</li> </ul>
2.2.6 Document Key Findings and Opportunities	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Supply Market Segmentation Model</li> <li>Market Data Summary</li> <li>Value Chain and Supplier Cost Analysis</li> <li>Supply Market Competitive Analysis</li> <li>Short List of Federal Supply Sources</li> </ul>	<ul style="list-style-type: none"> <li>Summary of Findings and Sourcing Implications</li> </ul>

### IV.3.3 Phase 2.3: Develop Commodity Sourcing Strategy



#### Phase 2.3: Develop Commodity Sourcing Strategy

**Overview:** The third and final step in *Phase 2: Commodity Strategy Development* is to develop the actual commodity sourcing strategies and tactics to be implemented and the business case supporting the proposed strategies. This final step of the process draws on data and information gathered as part of the previous *Step 1: Profile Commodity* and *Step 2: Conduct Supply Market Analysis*.

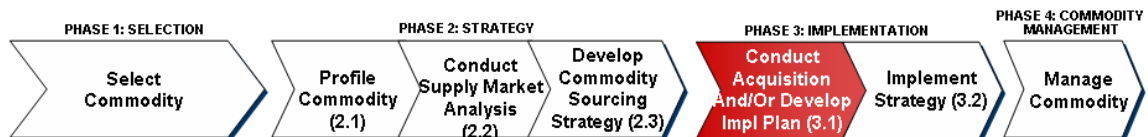
Process Sub-Step	Performed By	Inputs	Outputs
2.3.1 Synthesize Research Findings and Opportunities	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Key Findings and Opportunities from Steps 2.1 and 2.2</li> </ul>	<ul style="list-style-type: none"> <li>Findings and Opportunities Synthesis</li> </ul>
2.3.2 Identify Sourcing Objectives	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Commodity Positioning Analysis</li> <li>Customer Input</li> </ul>	<ul style="list-style-type: none"> <li>List of 3-4 Primary Sourcing Objectives</li> </ul>
2.3.3 Develop Sourcing Strategies and Tactics	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Sourcing Objectives</li> </ul>	<ul style="list-style-type: none"> <li>Recommended Sourcing Strategies and Tactics</li> </ul>
2.3.4 Develop Sourcing Strategy Business Case	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Recommended Sourcing Strategies and Tactics</li> <li>Total Cost of Ownership Analysis</li> </ul>	<ul style="list-style-type: none"> <li>Commodity Sourcing Strategy Business Case</li> </ul>
2.3.5 Prepare Acquisition Strategy and Acquisition Plan	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Commodity Sourcing Strategy Business Case</li> <li>Short List of Federal Supply Sources</li> </ul>	<ul style="list-style-type: none"> <li>Acquisition Strategy</li> <li>Implementation Plan</li> </ul>
2.3.6 Approve Recommended Commodity Strategy	Strategic Sourcing Working Group (SSWG)	<ul style="list-style-type: none"> <li>Commodity Sourcing Strategy Business Case</li> <li>Acquisition Strategy</li> <li>Implementation Plan</li> </ul>	<ul style="list-style-type: none"> <li>Commodity Strategy Approval</li> </ul>

## IV.4 Phase 3: Implementation



Phase 3: Implementation			
<b>Overview:</b> Once the commodity sourcing strategy is approved by the Strategic Sourcing Working Group (SSWG), the Commodity Team (CT) moves ahead with implementing the strategy			
Process Step	Performed By	Inputs	Outputs
3.1 Conduct Acquisition And/Or Develop Implementation Plan	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Approved Commodity Strategy</li> <li>Approved Acquisition Strategy</li> <li>Customer Requirements</li> </ul>	<ul style="list-style-type: none"> <li>Completed RFx</li> <li>Contract Vehicle(s)</li> <li>Implementation Plan</li> </ul>
3.2 Implement Strategy	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Implementation Plan</li> </ul>	<ul style="list-style-type: none"> <li>Agency commitments and/or Task Orders</li> <li>Ongoing implementation</li> </ul>

### IV.4.1 Phase 3.1: Conduct Acquisition And/Or Develop Implementation Plan

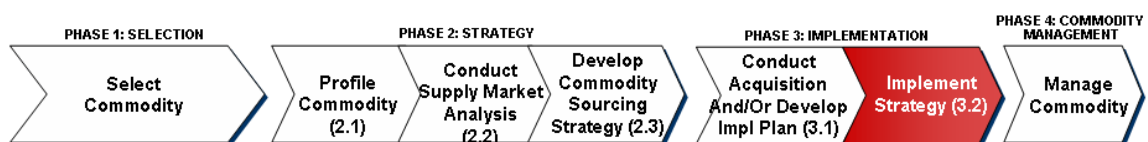


Phase 3.1: Conduct Acquisition And/Or Develop Implementation Plan			
<b>Overview:</b> The first step in <i>Phase 3: Implementation</i> is to execute any approved Acquisition Strategies and to develop and gain approval of the Implementation Plan for government-wide rollout of the new vehicle(s)			
Process Step	Performed By	Inputs	Outputs
3.1.1 Develop and Issue RFx and Negotiate Contract(s)	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Approved Acquisition Strategy</li> <li>Customer Requirements</li> </ul>	<ul style="list-style-type: none"> <li>RFx</li> <li>Signed Contract(s)</li> </ul>
3.1.2 Develop Implementation Plan	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Commodity Strategy</li> <li>Signed Contracts</li> <li>Customer</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Plan (includes Communications Plan)</li> </ul>



		Requirements <ul style="list-style-type: none"> <li>Existing Agency Processes and Policies (from 2.1)</li> </ul>	and Transition Plan)
3.1.3 Approve Implementation Plan	Strategic Sourcing Working Group (SSWG) / Chief Acquisition Officers Council (CAOC)	<ul style="list-style-type: none"> <li>Business Case Analysis</li> <li>Signed Contracts</li> <li>Implementation Plan</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Plan Approval</li> <li>Recommendation of the Commodity Management Program Office</li> </ul>

#### IV.4.2 Phase 3.2: Implement Strategy



Phase 3.2: Implement Strategy			
<b>Overview:</b> The second and final step in <i>Phase 3: Implementation</i> is to execute the Implementation Plan by participating agencies and to establish the Commodity Management Program Office (CMPO)			
Process Step	Performed By	Inputs	Outputs
3.2.2 Execute Communications Plan	CT, PMO	<ul style="list-style-type: none"> <li>Implementation Plan</li> <li>Communications Plan</li> </ul>	<ul style="list-style-type: none"> <li>Communication Tactics</li> </ul>
3.2.1 Execute Implementation Plan	CT, Agency Customers and/or Strategic Sourcing Offices	<ul style="list-style-type: none"> <li>Signed Contracts</li> <li>Implementation Plan</li> <li>Agency Requirements</li> </ul>	<ul style="list-style-type: none"> <li>Depending on Strategy (Task orders, policies, etc.)</li> </ul>

## V. Commodity Management – Ongoing Management

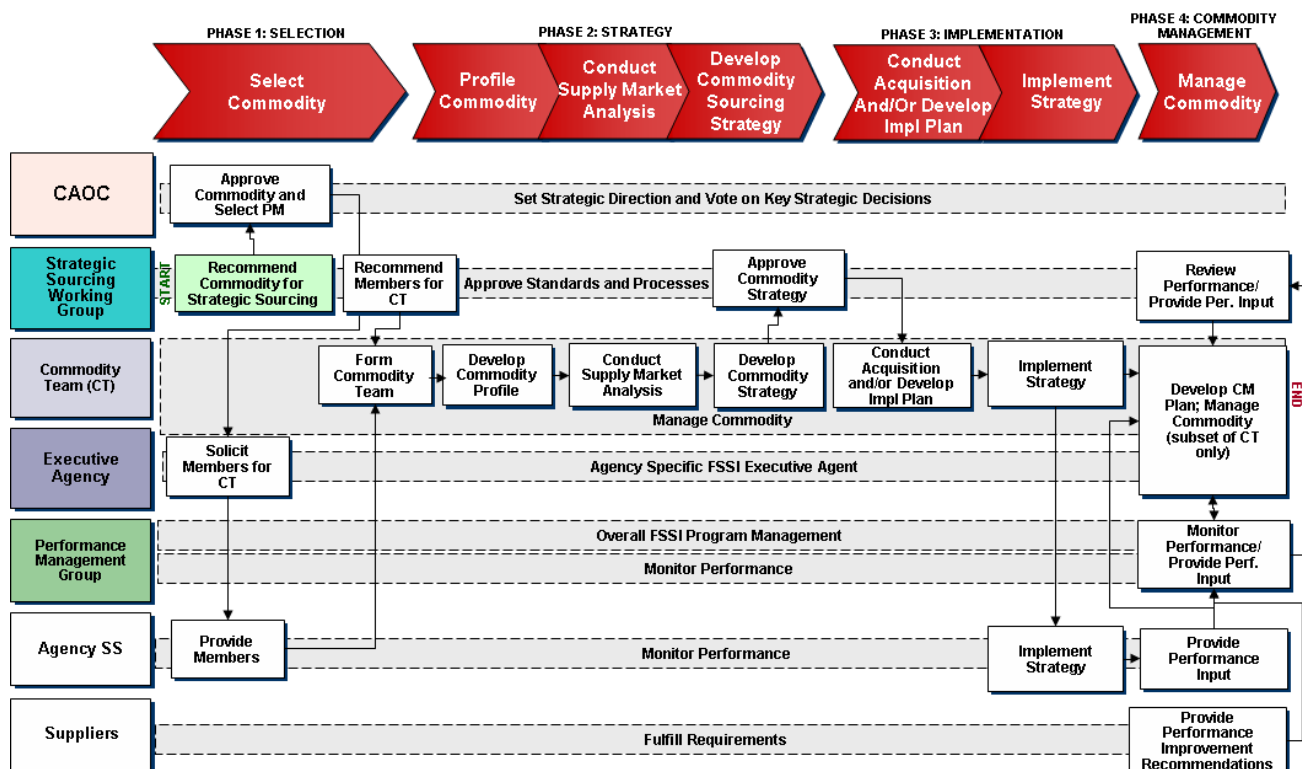
### V.1 Overall Process

Commodity Management, within the context of FSSI, is defined as the continuous process of managing all aspects of a commodity, to include:

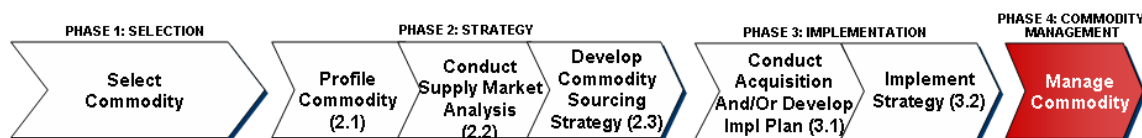
- Management of internal processes, policies and technologies required to achieve defined customer and sourcing objectives
- Management of supplier relationship to ensure delivery against established terms and conditions
- Ongoing monitoring of customer needs as well as related markets that may trigger a change/revision to existing strategy
- Performance measurement to drive continuous performance management.

Within the commodity management process, illustrated in Figure 8, Commodity Management is addressed as Phase 4 of the overall process.

**Figure 8: Strategic Sourcing and Commodity Management Process**



## V.2 Phase 4: Commodity Management



### Phase 4: Commodity Management

**Overview:** Once the implementation of a commodity strategy has begun (Phase 3.2), continuous commodity management will ensure that the implementation is resulting in the expected benefits, as developed in the commodity strategy and related business case (Phase 2.3). Commodity Management will typically be the responsibility of the Commodity Team Lead, in conjunction with support provided by internal or external (contract) resources from the Program Management Office (PMO). Performance data will be provided to the Performance Management Group (PMG), which will consolidate all performance data and initiate corrective action, if required.

Process Step	Performed By	Inputs	Outputs
4.1 Develop Commodity Management Plan	Commodity Team (CT)	<ul style="list-style-type: none"> <li>Commodity Strategy (includes performance metrics)</li> <li>Implementation Plan</li> </ul>	<ul style="list-style-type: none"> <li>Commodity Management Plan including detailed Performance Metrics</li> </ul>
4.2 Manage Commodity	CT Lead and EA	<ul style="list-style-type: none"> <li>Agency Customers</li> <li>Agency Strategy Sourcing</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Status and Results</li> <li>Actions as required (specific to commodity)</li> </ul>
4.3 Measure Performance	CT Lead and EA	<ul style="list-style-type: none"> <li>Performance Input from Agency Customers</li> <li>Performance Input from Suppliers</li> <li>Spend Data</li> </ul>	<ul style="list-style-type: none"> <li>Performance Data and Performance Results for PMG</li> </ul>
4.4 Consolidate and Review Performance Data	Performance Management Group (PMG)	<ul style="list-style-type: none"> <li>Performance Data and Results from CT Lead and EA</li> <li>Performance Input from Agency Customers</li> <li>Performance Input from Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Consolidated Performance Report</li> <li>Recommended Actions (to both SSWG and CT Lead)</li> </ul>
4.5 Review Performance Data and Provide Performance Feedback	Strategic Sourcing Working Group (SSWG)	<ul style="list-style-type: none"> <li>Consolidated Performance Report from PMG</li> </ul>	<ul style="list-style-type: none"> <li>Recommended Actions (to both PMG and CT Lead)</li> </ul>
4.6 Initiate Corrective Action	CT Lead and EA	<ul style="list-style-type: none"> <li>Consolidated Performance Report from PMG</li> </ul>	<ul style="list-style-type: none"> <li>Corrective Action Report</li> <li>Actions as required</li> </ul>

		• Recommended Actions (from SSWG and PMG)	
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